

7 October 1952

MEMORANDUM FOR: The Director of Central Intelligence

SUBJECT: Refusal by Executive to Provide Information to Congress

1. Several of the many cases where the President or heads of executive departments have refused to furnish information requested by Congress are summarized below.

2. In 1879 George F. Seward, Consul General of the United States in China, appeared before the House Committee on Expenditures in the State Department, which was investigating his official conduct. A subpoena duces tecum had been served upon him to produce certain books and papers. Seward refused and was not held to be in contempt for so doing. The Chairman of the Committee submitted a report in which he stated:

"And whenever the President has returned (as sometimes he has) that, in his judgment, it was not consistent with the public interest to give the House such information, no further proceedings have ever been taken to compel the production of such information. Indeed, upon principle, it would seem that this must be so. The Executive is as independent of either house of Congress as either house of Congress is independent of him, and they cannot call for the records of his action or the action of his officers against his consent, any more than he can call for any of the journals and records of the House or Senate." *

The report indicated the perils incident to divulging "state secrets" to a committee of the House and stated that the executive must make the decision in each case:

"Somebody must judge upon this point. It clearly cannot be the House or its committee, because they cannot know the importance of having the doings of the executive department kept secret. The head of the executive department, therefore, must be the judge in such case and decide it upon his own responsibility to the people, and to the House, upon a case of impeachment brought against him for so doing, if his acts are causeless, malicious, willfully wrong, or to the detriment of the public interests." *

* Rpt. No. 141, March 3, 1879, 45th Cong., 3rd Sess.

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✓ 3. In 1941 the Chairman of the House Committee on Naval Affairs requested the Federal Bureau of Investigation to furnish reports and correspondence on investigations made by the Department of Justice into strikes and subversive activities at industrial establishments having naval contracts. The request was not complied with. Attorney General Jackson replied in an opinion in which he stated as follows:

"It is the position of this Department, restated now with the approval of and at the direction of the President, that all investigative reports are confidential documents of the executive department of the Government, to aid in the duty laid upon the President by the Constitution to 'take care that the laws be faithfully executed,' and that congressional or public access to them would not be in the public interest." *

✓ 4. On January 20, 1945, at a hearing of the Select Committee to Investigate the Federal Communication Commission the Director of the Federal Bureau of Investigation refused to testify as to certain matters on which the President had directed him to remain silent. There is no record in the hearing reports of any action taken by the Committee to force a response.

5. Various executive Department heads refused to provide information desired by this same Committee, among them being Harold D. Smith, Director of the Bureau of the Budget, James L. Fly, Chairman of the Federal Communications Commission, Robert P. Patterson, Acting Secretary of War, and James Forrestal, Acting Secretary of the Navy. Secretary Patterson stated in his reply to the Committee as follows:

"The President directs that the committee be informed that he, the President, refuses to allow the documents to be delivered to the committee as contrary to the public interests. For the same reason, I am unable to permit the witnesses to appear." **

✓ 6. In December 1947 the Joint Committee on Reduction of Non-essential Federal Expenditures sought reports of personnel figures from the Central Intelligence Agency. Full disclosure was politely refused because of the risk of publication and dissemination beyond the Committee. A compromise was effected whereby the Committee Chairman, Senator Harry F. Byrd, was given access to certain information which the Committee desired.

25X1 ✓ 7. By letter of January 24, 1952, President Truman directed the Secretary of State not to furnish the Senate Internal Security Subcommittee with the loyalty file of [redacted] and certain other papers and reports from the files of the State Department. These had been requested by Senator McCarran. The President based his decision on the public interest, stating

* 40 Opinions Attys. Gen. p. 46, April 30, 1941.

** Hearings, Select Committee to Investigate the Federal Communications Commission, Vol. 1, pp. 46, 48 - 67.

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that the production of such information would create a serious danger of intimidation and demoralization of Foreign Service personnel, as well as involve the disclosure of confidential information and sources of information. Also, the release of individual loyalty files to congressional committees was cited as contrary to the President's directive of March 13, 1948, on this subject, which was addressed to all officers and employees in the executive branch of the Government.

[Redacted Signature]

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Assistant General Counsel

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30 September 1952

STATEMENT BY GENERAL WALTER BEDELL SMITH, DIRECTOR OF
CENTRAL INTELLIGENCE

Any Intelligence Agency that did not act on the assumption that it would be penetrated at sometime, somewhere along the line, from charwoman to executive, would be foolishly complacent and we would be criminally negligent if we did not act on that assumption. This is not to reflect on the loyalty of our employees or to suggest that any of our Security Agencies are "riddled" with Communists as has been alleged from time to time. We, ourselves, in spite of the most unusual precautions, have never detected a Communist in our ranks in the United States.

However, one of the elementary precautions of Intelligence Agencies the world over is the elaborate security and compartmentalizing of work so that no single individual below the very top level is able to gain the whole picture, even though he may obtain part of it. We have to act on the assumption that our opponents are at least as smart as we are, and that they will gain entrance from time to time. This necessitates constant vigilance in order to keep them out, to prevent them from obtaining vital information if and when they get in, and to detect and remove them as speedily as possible. CIA, in common with all other Security Agencies of Government, is extremely active in exercising such vigilance.

Statement given to Press 9/30/52 as result of testimony given at Benton-McCarthy hearing.

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1. The subpoena was issued by a section of the Com. in California to:
(a) Question on background of statement, and
(b) Scoop rival Com.
2. Considered view of whole Com, however, was that such action would not be advisable in view of the political implications, and subpoena was to be cancelled.
3. Chairman Wood nevertheless wanted to proceed with questioning for undisclosed reasons.
4. Wood allegedly wants to question regarding a story brought to him by an informant identified only as a very wealthy man not connected officially in D.C. who received the tale from someone "close to the Director".
5. The story, which may well be garbled and was not clear to source, is that a so-called "radical evaluation group" in the agency had been pressing to obtain the identities of sources of agency information, and had been opposed by a "conservative group". The latter had addressed a memorandum on the subject of source disclosure to the Director, who had agreed that sources were not to be disclosed. Doubtful security in the radical group was supposedly the cause of the resistance to revealing sources.
5. In addition to the above, and in the event that legal blocks are not placed in the way, the Com. wants to query also on two agency employees:
(a) [REDACTED]
(b) [REDACTED]
6. Representatives of the FBI reportedly have shown interest in what the Com. seeks to learn. This interest is not believed to be officially inspired and produced no results.
7. The agency was described as the only one wherein the Com. did not have its own sources, which accounted for the garbled or unclear version of the above "story".
8. The Com. questioning is intended to be on an entirely friendly basis, with little or no pressure, unless the above story leads to resistance to probing into internal agency affairs.

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Document No. [REDACTED]
No Change in Class. ☐
☒ Declassified
X1 Class. Changed to: TS (S) C
X1 Last Re. Rev. Date: [REDACTED]
Date: 8 NOV 91

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UNAMERICAN

10/13 Lec

PHILADELPHIA-(AP)-GEN. WALTER BEDELL SMITH, HEAD OF THE CENTRAL INTELLIGENCE AGENCY, IS SLATED TO APPEAR TODAY BEFORE THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE AT THE FEDERAL BUILDING HERE.

SMITH'S APPEARANCE IS THE RESULT OF PREVIOUS TESTIMONY SEPT. 29 IN THE MCCARTHY-BENTON LIBEL-SLANDER HEARING IN WHICH HE STATED HE THOUGHT COMMUNISTS ARE "SO ADROIT AND ADEPT THEY HAVE INFILTRATED EVERY SECURITY AGENCY OF THE GOVERNMENT."

SMITH MADE A LATER STATEMENT EMPHASIZING HE WAS MERELY POINTING OUT THE CUNNING OF THE RED FORCES AND THE IMPORTANCE OF BEING EVER ALERT.

HOWEVER, CHAIRMAN JOHN S. WOOD (D-GA) ANNOUNCED SEPT. 30 THE COMMITTEE HAD VOTED UNANIMOUSLY TO SUBPOENA GEN. SMITH "TO GIVE THE COMMITTEE THE BENEFIT OF ANY INFORMATION OF COMMUNIST INFILTRATION INTO AGENCIES OF THE GOVERNMENT."

UNAMERICAN (TOPS 14)

Noted by DCI

CB

PHILADELPHIA-(AP)-GEN. WALTER BEDELL SMITH, HEAD OF THE CENTRAL INTELLIGENCE AGENCY, SAID TODAY IF THE NEXT PRESIDENT, WHETHER DEMOCRATIC OR REPUBLICAN, "DOES AS WELL AS PRESIDENT TRUMAN" IN FIGHTING COMMUNISM IN THE FEDERAL GOVERNMENT THE AMERICAN PEOPLE "HAVE LITTLE TO WORRY ABOUT."

THE GENERAL MADE THE STATEMENT AS A WITNESS BEFORE AN OPEN HEARING OF THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE WHICH HAD SUBPOENAED HIM TO EXPLAIN TESTIMONY HE GAVE ON SEPT. 29 AT THE MCCARTHY-BENTON SLANDER AND LIBEL HEARING THAT HE BELIEVED COMMUNISTS "ARE SO ADROIT AND ADEPT THEY HAVE INFILTRATED EVERY SECURITY AGENCY OF THE GOVERNMENT."

SMITH SAID TODAY THAT HIS STATEMENT WAS "PREDICATED ON PURE THEORY AND PAST PERFORMANCE." HE ADDED UNDER CROSS-EXAMINATION BY COMMITTEE COUNSEL:

"I WOULD BE EXTREMELY COMPLACENT IF I BELIEVED THAT THERE WAS NO COMMUNIST INFILTRATION IN THE GOVERNMENT."

REP. WALTER (D-PA) ASKED THE GENERAL FLATLY:

"DO YOU KNOW POSITIVELY THAT THERE ARE COMMUNISTS IN YOUR ORGANIZATION (THE CIA)?"

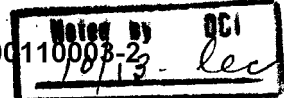
"I AM MORALLY CERTAIN THAT THERE MAY BE COMMUNISTS IN THE CENTRAL INTELLIGENCE AGENCY," SMITH REPLIED.

WALTER ASKED: "DO YOU KNOW WHO THEY ARE?"

SMITH REPLIED: "NO."

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THE COURTROOM IN THE FEDERAL BUILDING WAS FILLED. ITS CAPACITY IS ABOUT 125 PERSONS. A DOZEN POLICEMEN PATROLLED OUTSIDE. NO ONE WAS ALLOWED TO STAND IN THE HEARING ROOM.

WALTER, COMMITTEE CHAIRMAN JOHN S. WOOD (D-GA) AND REP. HAROLD VELDE (R-ILL), AIDED BY COUNSEL FRANK S. LAVENNER, JR., QUESTIONED SMITH REPEATEDLY ON HIS SEPT. 29 STATEMENT.

WALTER SAID "SUCH A STATEMENT IS DISTURBING TO THE ENTIRE COUNTRY."

"ONE OF THE REASONS I CAME HERE TODAY WAS TO ALLEVIATE THAT DISTURBANCE," SMITH REPLIED.

BUT WALTER AND WOOD ASSERTED THAT SMITH SHOULD STATE FLATLY WHETHER HE "WAS CERTAIN" THERE WAS COMMUNIST INFILTRATION IN EVERY GOVERNMENT SECURITY AGENCY.

THE GENERAL, HOWEVER, SAID THAT HE COULD NOT MAKE SUCH A STATEMENT, THAT THE WORK OF THE CIA WAS DEVOTED ENTIRELY TO OPERATIONS OUTSIDE OF THE UNITED STATES. BUT HE DID SAY THIS:

"I HAVE FOUND NO PENETRATION OF COMMUNISTS IN MY ORGANIZATION IN THE UNITED STATES. NO AMERICAN COMMUNISTS AND NONE WITHIN THE SCOPE OR INTERESTS OF THIS COMMITTEE."

"I BELIEVE THAT THERE ARE COMMUNISTS IN MY ORGANIZATION OUTSIDE OF THE UNITED STATES BECAUSE IN THE PAST WE HAVE FROM TIME TO TIME DISCOVERED ONE OR TWO IN OUR RANKS."

SMITH NOTED THAT THIS IS A PRESIDENTIAL ELECTION YEAR AND SAID THAT EVERY STATEMENT MADE BY AN OFFICER OF THE ADMINISTRATION "IS GOING TO BE SEIZED UPON AND QUOTED OUT OF CONTEXT."

HE ADDED:

"I HAVE NO POLITICAL LEANINGS OR AFFILIATIONS. ANY FUTURE PRESIDENT, REPUBLICAN OR DEMOCRAT, IS GOING TO HAVE TO WORK WITH THE SAME SECURITY AGENCIES NOW IN EXISTENCE. BOTH WILL HAVE THE SAME DIFFICULTIES THAT WE NOW ENCOUNTER TODAY. IF EITHER ONE OF THEM, THE DEMOCRAT OR THE REPUBLICAN, DOES AS WELL AS PRESIDENT TRUMAN IN COOPERATION WITH THE SECURITY AGENCIES IN FERRETTING OUT SUBVERSIVES, THE AMERICAN PEOPLE CAN CONGRATULATE EACH OTHER AND WILL HAVE LITTLE TO WORRY ABOUT."

WALTER ASKED SMITH WHETHER IN MAKING HIS STATEMENT ABOUT THE COMMUNISTS IN THE FEDERAL SECURITY AGENCIES HE HAD ANY FIRST-HAND KNOWLEDGE OR FACTS.

"MY RESPONSIBILITIES ARE ALL ABROAD," SMITH ANSWERED. "MY KNOWLEDGE CONCERNS ONLY ACTIVITIES ABROAD. REMEMBER WHEN I TALK I REFER ONLY TO THOSE ACTIVITIES WITH WHICH I AM FAMILIAR."

"I MUST ASSUME," HE CONTINUED, "FROM MY PAST EXPERIENCE, THAT THERE HAS BEEN INFILTRATION OF SECURITY ORGANIZATIONS."

WALTER ASKED: "THEN YOU ASSUME AND PRESUME ONLY THAT THERE IS AN INFILTRATION? YOU HAVE NO FACTS?"

"IF I KNEW WHERE THERE WAS A COMMUNIST I WOULD DO SOMETHING ABOUT IT," SMITH REPLIED.

"DOES THAT ALLAY YOUR DISTURBANCE, CONGRESSMAN?" HE ASKED WALTER.

THE LATTER BLUNTLY SAID: "NO, BECAUSE THE POSITION YOU HOLD PLACES YOU IN THAT SITUATION WHERE ANY STATEMENT YOU MAY MAKE MAKES IT APPEAR THAT IT IS BASED ON FACT, AND FACT ALONE."

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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SERVICE

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Telegra-
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WESTERN UNION

W. P. MARSHALL, PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

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GEN WALTER BEDELL SMITH=

:PENTAGON WASHDC=

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DCI

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:FOR YOUR INFORMATION I HAVE ISSUED THE FOLLOWING RELEASE.
REPRESENTATIVE HAROLD H VELDE WILL LEAVE FOR PHILADELPHIA
SUNDAY AFTERNOON TO ATTEND UNAMERICAN ACTIVITIES COMMITTEE
HEARING MONDAY MORNING. MR VELDE WILL BE THE ONLY REPUBLICAN
MEMBER OF THIS COMMITTEE ATTENDING THE HEARING. FIRST WITNESS
WILL BE GENERAL WALTER BEDELL SMITH WHO RECENTLY CHARGED THAT
COMMUNISTS HAVE INFILTRATED MANY BRANCHES OF THE EXECUTIVE
DEPARTMENT OF GOVERNMENT. GENERAL SMITH IS HEAD OF THE CIA,
WHICH INVESTIGATES WORLD WIDE ESPIONAGE AND SABOTAGE
AGAINST THE UNITED STATES. VELDE SAID BEFORE HE LEFT FOR
PHILADELPHIA QUOTE I FIRMLY BELIEVE THAT THIS GREAT AMERICAN
GENERAL SMITH WILL BE ABLE TO SUBSTANTIATE THESE CHARGES. IF
HE ISN'T ABLE TO DO SO I SHALL ASK THE UNAMERICAN ACTIVITIES
COMMITTEE TO CALL THE HEADS OF OTHER INTELLIGENCE AGENCIES
INCLUDING MR J EDGAR HOOVER TO SUBSTANTIATE THE STATEMENT BY
GENERAL SMITH. I WILL ALSO ASK THAT PRESIDENT TRUMAN RESCIND
HIS EXECUTIVE ORDER WHICH HAS IN THE PAST PLACED AN IRON
CURTAIN AROUND THE FILES OF THE VARIOUS INTELLIGENCE
AGENCIES OPERATING UNDER HIS CONTROL. UNQUOTE. WITH KINDEST
PERSONAL REGARDS.=

:HAROLD H VELDE M C EIGHTEENTH CONGRESS DISTRICT OF
ILLINOIS PEKIN ILLINOIS=.

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COPY

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE
UNITED STATES OF AMERICA

W. J. Jones

To

General Walter B. Smith,

You are hereby commanded to summon

Director, Central Intelligence Agency, Washington, D. C.

to be and appear before the **Committee on Un-American Activities or a duly authorized**
subcommittee thereof

~~XX~~
Committee of the House of Representatives of the United States, of which the Hon.

John S. Wood

is chairman,

~~Court Room 1, United States Court House, 9th and Market Sts., Philadelphia, Pa.~~
~~XX~~
in their chamber in the city of Washington, on **Monday,**
October 13, 1952

10:00 a.m.

, at the hour of

then and there to testify touching matters of inquiry committed to said Committee; and he is
not to depart without leave of said Committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives

of the United States, at the city of Washington, this

30th

September

52

day of _____, 19____

Attest:

Ralph R. Roberts

Clerk.

John S. Wood
Chairman.

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Approved For Release 2003/11/04 : CIA-RDP80B01676R002500110003-2

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Security Standards for Applicants

To be acceptable for employment in CIA, the applicant, after investigation, must be shown to possess:

1. undivided loyalty to the United States
2. excellent character
3. unquestioned integrity
4. unquestioned discretion
5. unquestioned trustworthiness
6. credit or financial habits and a background which indicate that applicant would not succumb to bribery or blackmail
7. no relatives or next of kin subject to a foreign power

Investigative Standards
for Applicants

Investigation conducted on applicants includes:

1. A check of the records of other security organizations, such as the Federal Bureau of Investigation, Department of State, Department of the Army, Navy, Air Forces, Civil Service Commission, and the House Committee on Un-American Activities,
2. Interviews with employers, references, associates, and neighbors, and
3. Checks of educational, police and credit records and with such confidential sources as are deemed necessary.

STATINTL

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CIA Security Program

To prevent and assist in the detection of penetration of the Agency we use:

1. A system of security and intelligence records dating back to the early days of OSS
2. A close working relationship with other government agencies
3. Highly skilled investigative staff conducting thorough investigations
4. An experienced reviewing staff studying and analyzing investigative reports of applicants, as well as security files of Agency employees
5. A security follow-up system, including a plan for re-investigation of employees
6. Internal security controls, such as compartmentalization and the use of special types of clearances
7. A constant vigilance on the part of CIA employees to detect any penetration or attempted penetration

Security Policy with Respect to FBI Records

The name of every applicant investigated for possible employment with CIA is checked against the records of the Federal Bureau of Investigation.

Security Policy with Respect to HCUA Records

The name of every applicant being investigated for possible employment with CIA is checked against the records of the House Committee on Un-American Activities. When a record is found, the investigation is directed so as to explore the significance of the information on file.

Notes on Probable Additional Questions and Suggested Answers

- Q. What are your current measures of preventing penetration?
- A. We investigate each applicant thoroughly prior to employment.
- Q. What are your measures of detecting penetration?
- A. There are numerous detailed measures, many of which should, for security reasons, not be related. I think that the reason for this, of course, is obvious. Among those that I may mention, however, are our program of reinvestigation of employees, the detailed study of cases involving possible attempts of penetration so as to pick up other important facets involved in the case, and of considerable importance along this line is the awareness of employees of my Agency of the possibility of our having been penetrated; thus, a constant awareness to detect possible penetration. At this point I should like to mention the fact that our program of compartmentalization of work, so that no single individual below the very top level is able to gain a whole picture, goes far toward reducing the effectiveness of any penetration if it has occurred or should occur. Also, we operate on the principle that no employee of the Agency receives any more classified information than is necessary for him to do his job.
- Q. How do you accomplish the removal of undesirable persons from your organization?
- A. I have ample authority under the provisions of Public Law 253, 80th Congress.

Q. Have you been subjected to political pressure so as to hamper the release of undesirable persons from your Agency?

A. No.

Q. Do you comply with the provisions of Executive Order 9835 (The President's Loyalty Program)?

A. Yes.

Q. Have any persons been dismissed from your Agency on loyalty grounds under the provisions of Executive Order 9835?

A. No.

Q. How many cases have been heard by the CIA Loyalty Board?

A. Since the institution of the Loyalty Program under the provisions of Executive Order 9835, the cases of ☐ CIA employees have been heard by the CIA Loyalty Board.

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Q. Do you have any reason for the fact that ☐ cases were heard and none were dismissed on loyalty grounds?

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A. Yes, I attribute it to my thorough applicant screening program.

Q. Are loyalty cases handled by your Agency under the provisions of Executive Order 9835 subject to review by the Loyalty Review Board?

A. Yes, in this connection we follow the same procedure as any other agency.

Q. Are there any Loyalty Board cases pending in your Agency?

A. All cases have been heard by the CIA Loyalty Board.

Q. How many persons have you dismissed on security grounds?

A. Since I took over CIA we have been prepared to dismiss four persons

under the provisions of Public Law 253. All four persons, however, left before I executed my final dismissal authority. These were not cases of penetration, however.

Q. Have you advised the FBI of these cases?

A. Yes.

Q. Have you ever over-ruled your Board in favor of an individual?

A. No.

Q. Do you employ the use of the polygraph in CIA?

A. Yes, we have, on a voluntary basis, afforded polygraph examinations to many employees. I do not care to go into the detailed employment of this aid to interrogation, however, I may add that we have been able to detect cases of security risk by use of the polygraph. I do not feel that I should, however, go into great detail on this point other than to say that it is used entirely on a voluntary basis, and that we are extremely careful so as to protect the normal rights of an individual in our use of the machine.

(Although it is suggested that no statistics be given on the use of the polygraph, the following are indicated for your benefit: cases have been run. During the last year approximately people have resigned as a result of polygraph examinations. The matter of procuring resignations is the subject of strong feeling in many government circles. Hence, it may be well to avoid, if possible, discussions along that line.)

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